

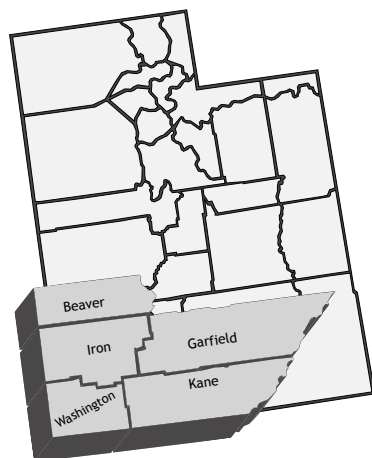
# Workforce News



A publication of the Department of Workforce Services

**Southwest: Beaver, Garfield, Iron, Kane, Washington**

**jobs.utah.gov**



## Inside:

- ✦ 2003 Employers and Nonemployers
- ✦ Increased jobs in Iron county



Contact the author, your regional economist, with any questions on content:

Lecia Parks Langston  
435-688-3115  
lecialangston@utah.gov

## What the Heck is a “Nonemployer”?

Nonemployer? What in the world is a nonemployer? Sounds like some bureaucratic word made up by a bunch of government drones. (My spellchecker certainly doesn't think it's a real word.) Simply, a nonemployer is a business that doesn't have employees.

Admittedly, the information we typically publish usually ignores this very important part of the economy. But it's not our fault! The primary source of our employment data doesn't legally cover businesses without paid employees. Fortunately, the U.S. Census Bureau helps fill in the gap with its nonemployer statistics.



To be counted as a nonemployer, businesses must meet the following conditions:

- ✦ No paid employees
- ✦ Nonconstruction—annual receipts of \$1,000 or more; Construction at least \$1 in receipts
- ✦ Subject to federal income taxes

(continued on page 2)

# What the Heck is a “Nonemployer”?

(continued)

What’s considered receipts (besides the slip of paper you get from the cashier at the grocery store)? Sales, commissions, payments and other income reported on business income tax returns. Of course, for many workers, a “nonemployer” business is a secondary source of income.

According to the 2003 nonemployer statistics recently published by the Census Bureau, there are a whole lot of nonemployers floating around southwestern Utah. In fact, in three counties nonemployer businesses outnumber employers by roughly two to one. For example, Washington County had roughly 3,400 employers during the first quarter of 2003, but more than 7,400 nonemployers.

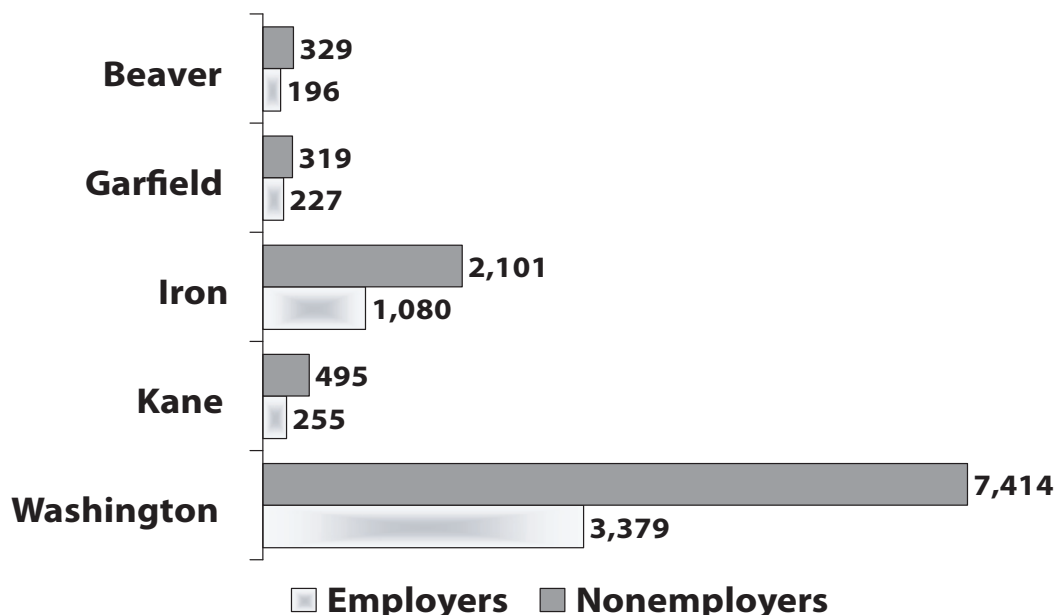
In many counties, a large share of nonemployers can be categorized in the “other services” section of the North American Industry Classification System. This industry group includes a wide variety of business types such repair/maintenance services, personal services (like a beauty shop) and laundry services. Iron and Washington counties are the exceptions to this rule—most of their nonemployers are in the real estate industry. A noticeable share of nonemployers congregates

in the construction industry as well as retail trade, and healthcare/social services. When it comes to receipts, the construction industry generally dominates the scene.

What kind of income do these businesses generate? On average in the five counties of southwestern Utah, receipts measure \$46,000 per business per year. However, average receipts per business range from less than \$22,000 in Garfield County to \$50,000 in Washington County.

Washington County showed the fastest growing nonemployer sector in 2003 (up 15 percent and surely a reflection of a rapidly growing population base).

## 2003 Employers\* and Nonemployers



\*First Quarter

Source: Utah Department of Workforce Services; U.S. Census Bureau.

On the other hand, nonemployer counts in Beaver and Kane County were unchanged in 2003.

## Check it Out

Are you looking for economic information about your county? Be sure and check out our new county profile webpages for the information you need!

<http://jobs.utah.gov/jsp/wi/utalmis/gotoCounties.do>

# County News

**Beaver County:** After a brief flirtation with job losses, Beaver County is back in the employment creation business. Third quarter 2005 nonfarm jobs steadily increased, ending up with almost 6-percent growth in September. Many of the county's new jobs have been generated in retail trade and leisure/hospitality services. In tandem with employment expansion, the county's unemployment rate ended the year with a lower 4.4 percent figure. Along with the good labor market news, construction permitting rose substantially during the third quarter. Year-to-year sales increases looked rather peaked though—less than 3 percent.

**Garfield County:** Job growth has waned somewhat in Garfield County in recent months. Nevertheless, third quarter employment expansion remained perfectly respectable with a September increase of just less than 3 percent. It's no surprise that the leisure/hospitality industry is driving job growth in this tourism-dependent county. Even joblessness has edged down, though it remains high due to the seasonal nature of the economy. Sales made a stellar 18-percent year-to-year gain in third quarter 2005, while construction permitting grew at half the pace.

**Iron County:** Hot, hot, hot! No we're not talking about that county to south. Iron County's economy is adding employment at a robust pace—more than 7 percent between September 2004 and September 2005. Construction generated almost half the 1,100 new positions in the county. In addition, manufacturing, retail trade and health/social services also generated large numbers of new positions. Increased jobs mean unemployment just keeps getting lower and lower—only 3.6 percent in December. In addition, construction permitting continues to thrive and sales experienced a dramatic gain in third quarter 2005.

**Kane County:** Due to a sluggish leisure/hospitality industry employment, Kane County's employment numbers may be nothing to write home about. Year-to-year job growth measured a tepid 1.2 percent. However, watch out for this county's scorching construction permitting figures in third quarter. An extraordinarily strong surge in residential permitting should translate into new construction jobs farther on down the timeline. In addition, gross taxable sales skyrocketed during third quarter.

**Washington County:** Can 10-percent job growth be a bad thing? It might be, to employers looking for workers. A tight labor market (unemployment measured a mere 3.1 percent in December) is certainly placing upward pressure on wages in Washington County. In addition, growth is the by-word for Washington County's other economic indicators. Construction permits were up 33 percent and gross taxable sales jumped 30 percent in the third quarter of 2005.

## What's Up?

✧ Cedar City was featured in the January/February issue of "Where to Retire" magazine as a top spot in the nation for retirees. *The Spectrum*

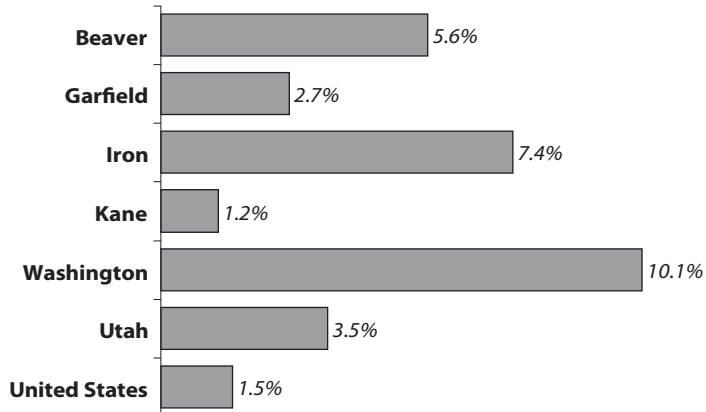
✧ Stampin' Up is currently building a new 80,000-square-foot manufacturing facility in Kanab. The company does not expect to increase its workforce. *The Salt Lake Tribune*

✧ A local Washington County company has obtained the exclusive worldwide marketing rights to produce and maintain technology that supports genetic testing for disease. As the company, DxNA develops, it could bring 200 new jobs to the county. *The Spectrum*

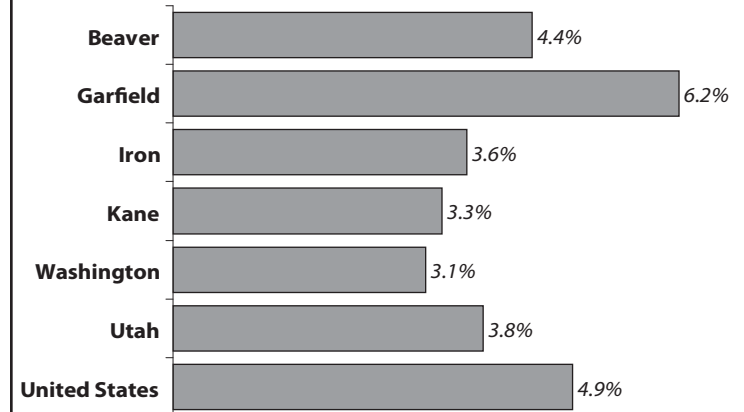
**Southwest: Beaver, Garfield, Iron, Kane, Washington**

**jobs.utah.gov**

**Change in Nonfarm Jobs  
September 2004 to September 2005**



**Seasonally Adjusted Unemployment Rates  
December 2006**



Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

03-51SW-0306